DOCUMENT RESUME

ED 365 233 HE 027 025

TITLE	Unserved Financial Aid Applicants. Update Report.
INSTITUTION	Washington State Higher Education Coordinating Board, Olympia.
PUB DATE	Oct 93
NOTE	11p.
PUB TYPE	Reports - Evaluative/Feasibility (142)
EDRS PRICE	MF01/PC01 Plus Postage.
DESCRIPTORS	*College Applicants; College Students; Comparative Analysis; *Financial Aid Applicants; *Financial Needs; Higher Education; *Individual Characteristics; Need Analysis (Student Financial Aid); Nontraditional Students; Paying for College; Research; Undergraduate Study
IDENTIFIERS	*Washington

ABSTRACT

This staff report on unserved students (students who commit to attend but do not enroll at a college or university) focuses on whether adequate financial resources could be a reason for their non-attendance. Applicants were categorized by need and by the date of their application for financial aid; and further classified as potential students of either public or private four-year colleges, of community or technical colleges, or students interested in a school participating in Washington State financial aid programs. Based on analysis of 33,740 unenrolled aid applicants, it was discovered that 12,061 (35.7 percent) could be classified as financially needy. In addition, these applicants were (1) generally older than actual aid recipients, (3) interested in or qualified to attend a community or technical college at the freshman level, (4) had a family income under $25,000, (5) were independent with children, and (6) were more likely to be female. Characteristics of applicants filing their applications early resembled those of the actual aid recipient and traditional college student, while later applicants had little or no college experience and possessed fewer financial resources. The emerging issues presented by these findings, as well as areas for future study, are discussed. (GLR)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED 365 233

UNSERVED FINANCIAL AID APPLICANTS UPDATE REPORT

October, 1993

PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY

Washington State H.E. Coordinating Board

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

INTRODUCTION

Policymakers have long been interested in knowing the extent to which the lack of financial resources is a barrier to accessing postsecondary education. In its 1992 *Update of the Master Plan for Higher Education* and in the student financial aid policy study adopted in March, the Board noted continuing concern that access to postsecondary education be available to all qualified citizens -- not only to those with the personal resources to pay.

Little information has been available to date about those citizens who aspire to attend college but do not enroll. The HECB initiated a study last winter to identify the number and characteristics of individuals who expressed an intent to enroll in a Washington institution, but did not enroll during the 1990-91 academic year. This report provides an update on the status of the study, as well as preliminary findings and emerging issues.

METHODOLOGY AND FINDINGS TO DATE

As reported to the Board in April, staff planned to study two groups of prospective students: high school students who expressed *interest* in attending a postsecondary institution, and Washington residents who evidenced an *intent* to attend by submitting an application for financial aid to a Washington institution. Staff work following the April Board meeting indicated that existing data for the *interest* group are unreliable and do not permit meaningful analysis. While there is interest in studying this group in the future, it is not possible to do so at this time.

The methodology described below was used to identify state residents who applied for financial aid at a Washington institution for the 1990-91 academic year, but did not attend,

HE 027 025

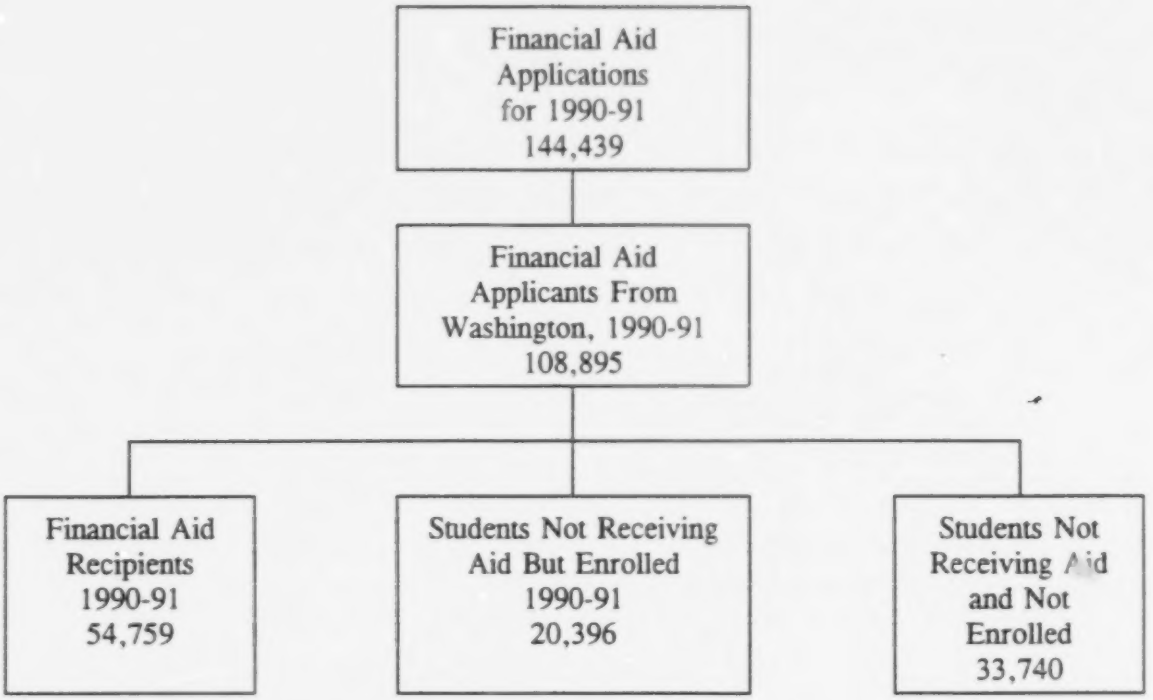
and for whom it appears that the lack of sufficient resources may have been a barrier to access.

For purposes of this study, individuals who completed either a federal Pell Grant application or the more comprehensive College Scholarship Service (CSS) Financial Aid Form (FAF) were determined to have evidenced "intent" to enroll at a postsecondary education institution. It was possible to match these records with other data files to produce a comprehensive picture of the applicants.

Financial aid applicants were grouped into three major categories: (1) those who received aid and enrolled, (2) those who did not receive aid but enrolled anyway, and (3) those who did not receive aid and did not enroll. Only individuals who correctly completed financial aid applications and who were identified as Washington residents were included in the study.

Data on students receiving aid were taken from the HECB-maintained Unit Record Report (URR). Determination of enrollment status came from HECB-maintained retention files, OFM Application Match Files, and information supplied by the State Board for Community and Technical Colleges.

The process used to separate aid applicants into the three groups mentioned above was as follows: The financial aid applicant file was matched against the recipient file to determine which applicants received aid and enrolled. Unmatched applicants were then matched against enrollment records to determine which applicants attended college even though they did not receive any financial aid. Applicants who did not match either the financial aid recipient file or enrollment files were considered not to have enrolled in a Washington institution that participates in state student financial aid programs.


Financial Aid Applications for 1990-91 144,439
Financial Aid Applicants From Washington, 1990-91 108,895
Financial Aid Recipients 1990-91 54,759
Students Not Receiving Aid But Enrolled 1990-91 20,396
Students Not Receiving Aid and Not Enrolled 33,740

The study then focused on the 33,740 individuals who applied for, but did not receive aid, and did not enroll in a Washington institution. Prospective students in this group may have had unserved financial needs that prevented them from enrolling.

To further define this study group, two separate but closely related procedures were employed to "classify" the applicants by sector. (Washington institutions are classified into five sectors: four-year public, four-year private, community colleges, technical colleges, and proprietary schools.) Sector information was necessary to determine the cost of attendance which was used in determining if applicants were needy.

The first procedure attempted to determine how many of the 33,740 individuals were *admitted for enrollment* at a four-year public institution but did not enroll. Individuals not admitted were determined to be either not eligible or did not want to attend a four-year

public institution. The procedure matched the 33,740 records against OFM Application Match Files[1].

Individuals were classified as a public four-year student if they applied for admission and were admitted to a Washington public four-year institution.

Because comparable application information was not available from private institutions, community and technical colleges, and proprietary schools, a second procedure was developed to classify the remaining aid applicants. This procedure was based on the institution to which the applicant wanted their aid application information sent. Because other studies have found a very strong correlation between the first institution listed on the aid application and the actual institution attended, the following assumptions about college choice were made:

The individual was classified as a community or technical college student if the first institution listed on the aid application was a community or technical college; or if the institution of first choice was a four-year public institution, but the prospective student was not admitted or did not apply for admission to a four-year public institution.

The individual was classified as a private four-year student if the institution of first choice was an in-state private four-year school and the aid applicant did not apply for admission to a four-year public institution.

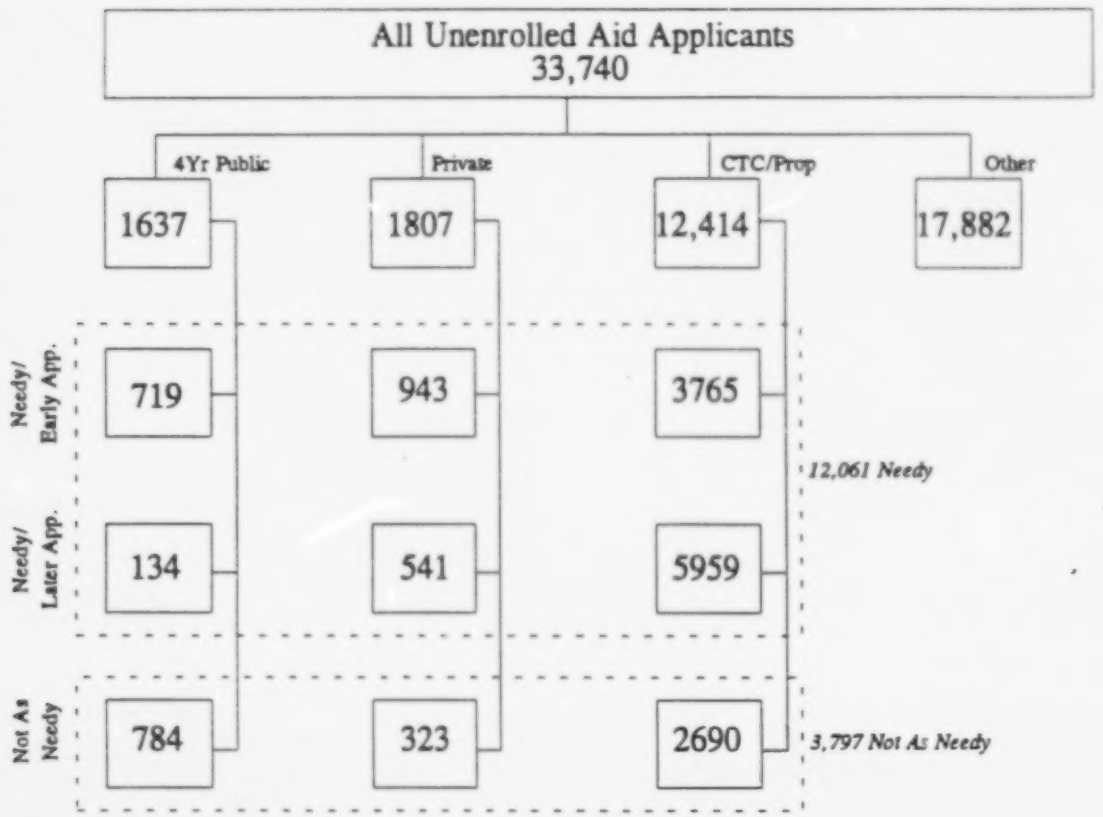
The individual was classified as not interested in a school participating in Washington State financial aid programs if only out-of-state schools were listed on the aid application; or if the application listed only private four-year or proprietary schools operating in Washington but not participating in state aid programs.

---

[1]Since Fall 1987, OFM has conducted the Application Match Study to obtain an unduplicated count of qualified individuals applying to Washington public four-year higher education institutions who were not served by the higher education system. The study files contain individual student records with an indicator reflecting whether or not the student was admitted.

To further define the study group, applicants were categorized by need and by the date of their application for financial aid. Aid applicants with an expected family contribution of 75 percent or greater of their cost of attendance were considered "not as needy" and identified separately. Individuals who applied later in the application cycle were separately identified.

The figure below shows the distribution of the aid applicants who did not receive aid and who did not enroll by: school type, early/later financial aid application, and level of need.



The 17,882 "other" aid applicants (those not interested in attending a Washington institution) were removed from the study group. Although Washington residents, these

prospective students did not list a Washington institution or an institution participating in state aid programs as a choice on their aid applications.

As indicated in the figure above, 12,061 of the 33,740 unenrolled aid applicants indicated an interest in attending a Washington institution and were needy. Compared to actual aid recipients, members of the group were generally older, were interested in or qualified to attend a community or technical college at the freshman level, had a family income under $25,000, were independent with children, and were more likely female. Characteristics of unserved needy students, compared to aid recipients, are shown in the attached appendix.

This group of 12,061 applicants can be separated into two categories based on the date of their application for financial aid. The display below shows applicants by sector and by application date. For purposes of this study, May 1, 1990 was established as the cut-off date for "early applications."

APPLICANTS BY SECTOR
BY APPLICATION DATE

Sector	Early Applications	Later Applications
Four-Year Public	719	134
Four-Year Private	943	541
Community College	3,397	3,782
Technical College	226	837
Proprietary	142	1340
Total	5,427	6,634

Characteristics of the "early" applicant group closely resembles characteristics of actual aid recipients and "traditional" college students. However, "later" applicants were generally older, had little or no college experience, and had fewer financial resources available than actual aid recipients.

EMERGING ISSUES AND FUTURE STUDY

The 1992 *Update of the Master Plan* cites increased access as the Board's highest priority and states further, "While increased access to postsecondary education must be provided for Washington's population in general, the Board believes specific provisions also must be made for improving access for the economically disadvantaged, persons of color, and for persons with disabilities." For many of these individuals, financial need is a common denominator. As noted in the student financial aid policy study, state student financial aid policy can either strengthen or impede the state's educational goals for its residents. Financial aid policy must be integrated with seemingly separate areas such as admissions standards, minority enrollment goals, tuition pricing policies, and policies related to private higher education. Such policy integration is especially important in a state like Washington, which limits the number of funded enrollments at public colleges and universities, in effect rationing postsecondary education.

Several issues emerge from the preliminary findings of this study. These and others will become the focus of continuing consideration. For example:

(1) To what extent should participation in postsecondary education of additional numbers of needy students be encouraged, given current limitations on funded enrollments and financial aid?

(2) If further analysis confirms that the characteristics of the unserved population are similar to enrolled needy students, and that the primary variable appears to be the date of application for financial aid, what steps might be taken to encourage earlier planning and preparation?

(3) What priority should be given to outreach and funding for the population which has not yet enrolled, as opposed to increased funding for the population which has enrolled but is not adequately served by state student aid programs?

(4) Is financial assistance the sole key to providing access to the currently unserved population? Are there other characteristics or factors which present access barriers to this group?

(5) How much would it cost to serve this population?

HECB staff plan to continue analyzing this population. In addition to conducting further comparisons to the aided population, we hope to determine whether the individuals identified as unserved by financial aid programs in 1990-91 enrolled in 1991-92 or later years. We also are interested in knowing whether the identified population entered the workforce. We plan to determine the extent to which persons of color or persons with disabilities are represented in the unserved population. We plan to determine the cost of serving them with state financial aid programs. Ultimately, our goal is to consider the policy implications of serving (or not serving) this population. Periodic updates will be presented to the Board as the study continues.

AID RECIPIENTS COMPARED TO UNSERVED STUDENTS
BY INSTITUTION OF CHOICE OR ATTENDANCE

Institution of Choice or Attendance	Aid Recipients	Unserved Needy Students
Four-Year Public	36.5%	7.1%
Four-Year Private	13.8%	12.3%
Community College	43.5%	59.5%
Technical College	4.1%	8.8%
Proprietary	2.0%	12.3%

AID RECIPIENTS COMPARED TO UNSERVED STUDENTS
BY STUDENT AGE

Student Age	Aid Recipients	Unserved Needy Students
Less than 23	44.4%	37.1%
23 - 25	15.2%	14.8%
26 - 35	26.6%	31.7%
36 - 44	10.9%	12.3%
Greater than 44	2.9%	4.1%

AID RECIPIENTS COMPARED TO UNSERVED STUDENTS
BY YEAR IN SCHOOL

Year in School	Aid Recipients	Unserved Needy Students
Other/Unknown	1.2%	1.7%
First-Time Enrollment	24.3%	43.1%
First Year	14.1%	23.4%
Second Year	21.4%	13.8%
Third Year	18.8%	11.3%
Fourth Year	13.2%	4.5%
Fifth Year (UG)	7.1%	2.1%

AID RECIPIENTS COMPARED TO UNSERVED STUDENTS
BY FAMILY INCOME

Family Income	Aid Recipients	Unserved Needy Students
Under $10,000	46.7%	51.4%
$10 - 15,000	13.3%	13.7%
$15 - 20,000	9.6%	10.2%
$20 - 25,000	7.7%	7.1%
$25 - 30,000	6.1%	6.0%
$30 - 35,000	4.8%	4.4%
$35 - 40,000	3.8%	3.0%
$40 - 45,000	2.5%	1.6%
$45 - 50,000	1.8%	1.1%
$50,000 and up	4.0%	1.5%

AID RECIPIENTS COMPARED TO UNSERVED STUDENTS
BY DEPENDENCY STATUS

Dependency Status	Aid Recipients	Unserved Needy Students
Dependent	35.3%	22.6%
Independent without Children	31.3%	34.0%
Independent with Children	33.5%	43.4%

AID RECIPIENTS COMPARED TO UNSERVED STUDENTS
BY GENDER

Gender	Aid Recipients	Unserved Needy Students
Unknown	5.6%	4.8%
Male	37.5%	36.8%
Female	56.9%	58.4%